

ing its Statement of Defense in response to Iran's claim.

In Case A/11, Iran alleges that the United States violated the Algiers Accords by failing to assist Iran in obtaining the return of the Shah's assets. The Department of State is currently in the process of preparing the United States Hearing Memorial, which is due to be filed on December 13, 1996.

Under the procedures established by the settlement reached February 22, 1996, on which I reported previously, the United States has begun to pay *ex gratia* amounts to the survivors of Iranian victims of the July 3, 1988, shootdown of Iran Air 655. As of the closing day for this report, 34 beneficiaries representing 12 of the deceased passengers had received payments totaling \$2,850,000.00. Under the terms of the settlement, no money will be paid to the Government of Iran.

4. Since my last report, the Tribunal conducted hearings in two cases involving U.S. nationals, considered dual U.S.-Iranian nationals by the Tribunal. On May 16, 1996, Chamber Three held a one-day hearing in Claim No. 266, *Aryeh v. The Islamic Republic of Iran*, which involves the alleged expropriation by Iran of claimant's property in Iran. On June 12-14, 1996, Chamber Two held a hearing in Claim No. 953, *Hakim v. The Islamic Republic of Iran*, another claim for the expropriation of property in Iran.

In August 1996, the United States submitted a brief on behalf of private dual national claim-

ants in a proceeding before Chamber One of the Tribunal. The United States argued that the Tribunal erred in a previous decision when it denied a dual national's claim on the ground that the claimant had acquired his property in his capacity as an Iranian national. The brief takes issue with the rationale of the Tribunal's decision and urges the Tribunal not to extend this approach to the other pending dual national cases.

5. The situation reviewed above continues to implicate important diplomatic, financial, and legal interests of the United States and its nationals and presents an unusual challenge to the national security and foreign policy of the United States. The Iranian Assets Control Regulations issued pursuant to Executive Order 12170 continue to play an important role in structuring our relationship with Iran and in enabling the United States to implement properly the Algiers Accords. I shall continue to exercise the powers at my disposal to deal with these problems and will continue to report periodically to the Congress on significant developments.

Sincerely,

WILLIAM J. CLINTON

NOTE: Identical letters were sent to Newt Gingrich, Speaker of the House of Representatives, and Albert Gore, Jr., President of the Senate. This letter was released by the Office of the Press Secretary on November 15.

## Remarks Announcing Participation in Missions in Bosnia and Zaire and an Exchange With Reporters November 15, 1996

*The President.* Good morning. One year ago in Dayton, the leaders of Bosnia, Croatia, and Serbia turned from the horror of war to the promise of peace. Their historic decision came after nearly 4 years of horrible bloodshed, the bloodiest conflict Europe has seen since World War II, after a quarter million deaths, after 2 million people were made refugees, after countless atrocities that shocked the conscience of the world.

When the Balkan leaders chose peace, I asked the American people to help them by supporting

the participation of our troops in a NATO-led implementation force to secure the Dayton agreement. I promised that the mission would be carefully defined with clear and realistic goals. I said it would be completed in about a year.

IFOR has succeeded beyond our expectations. As a result, its mission will end as planned on December 20th, and every single item on IFOR's military checklist has been accomplished. It has maintained the cease-fire and separated the parties along a new demilitarized

zone. It has monitored the placement of thousands of heavy weapons in holding areas, overseen a massive troop demobilization and the transfer of hundreds of square miles of territory from one side to another, and allowed the people of Bosnia to vote in free national elections.

That has been a remarkable achievement. In the process we have seen how important and effective the NATO alliance remains. And we have seen the possibilities for cooperation with Russia and the other members of the Partnership For Peace. Today, the Bosnian people are far better off than they were a year ago; their prospects for a future of peace and freedom are much brighter.

Already, the change in the day-to-day lives of the people there is dramatic: Marketplaces are full of life, not death; more people have roofs over their head, food on their tables, heat and hot water. The routines of normal life—going to work, coming home from school—are slowly becoming a reality. Bosnia's bitter harvest of hatred, however, has not yet disappeared.

For the last 12 months, the killing has stopped, and with time, the habits of peace can take hold. This success we owe to IFOR. But its achievements on the military side have not been matched, despite all our efforts, by similar progress on the civilian side. Quite frankly, rebuilding the fabric of Bosnia's economic and political life is taking longer than anticipated.

Economic activity is only just resuming. Its pace must be quickened and its reach extended. The Presidency, the Parliament, the constitutional court, created by the elections, are still in their infancy. They need time to work. Civilian police forces must be better trained. We must complete training and equipping the Bosnian Federation military so that a stable balance of power can take hold and renewed aggression is less likely. And municipal elections remain to be organized and held. Let me emphasize that the Bosnian people, with the help of international civilian groups, will be responsible for all this work. But for a time, they will need the stability and the confidence that only an outside security force can provide.

NATO has been studying options to give them the help that time will provide by providing a new security presence in Bosnia when IFOR withdraws. That study is now complete. I have carefully reviewed its options, and I have decided to instruct the United States representative to NATO to inform our allies that, in prin-

ciple, the United States will take part in a follow-on force in Bosnia.

For my agreement in principle to become a commitment, however, I must be satisfied that the final recommendation NATO adopts and the operational plan it develops are clear, limited, and achievable. The new mission's focus should be to prevent a resumption of hostilities so that economic reconstruction and political reconciliation can accelerate. That will require a strong but limited military presence in Bosnia, able to respond quickly and decisively to any violations of the cease-fire.

The new mission will be more limited than IFOR and will require fewer troops. It will not face the fundamental military challenge of separating two hostile armies, because IFOR has accomplished that task. It will be charged with working to maintain the stability that IFOR created. It will discourage the parties from taking up arms again, while encouraging them to resume full responsibility for their own security as quickly as possible.

IFOR plowed the field in which the seeds of peace have been planted. This new mission will provide the climate for them to take root and the time to begin growing.

Our military planners have concluded that this new mission will require fewer than half the number of troops we contributed to IFOR, about 8,500. There will be an American commander and tough rules of engagement. Every 6 months we will review whether the stability can be maintained with fewer forces. By the end of 1997, we expect to draw down to a much smaller deterrent force, about half the initial size, and we will propose to our NATO allies that by June of 1998 the mission's work should be done, and the forces should be able to withdraw.

The United States cannot and should not try to solve every problem in the world, but where our interests are clear and our values are at stake, where we can make a difference, we must act, and we must lead. Clearly, Bosnia is such an example. Every American should be proud of the difference the United States has already made in Bosnia, ending a terrible slaughter, saving thousands of lives, securing countless futures. We have a responsibility to see that commitment through, to give the peace America helped to make in Bosnia a chance to grow strong, self-sufficient, and lasting.

Earlier this week, I also decided that, in principle, the United States should take part in an international humanitarian effort to be part of a release force that Canada will lead in Zaire. Two years ago, following genocide in Rwanda, more than a million Rwandans fled for Zaire. Recently their plight has worsened as fighting among militant forces has driven them from their camps. Violence has begun to spiral out of control, preventing relief agencies from providing food and medicine to the refugees who are now vulnerable to starvation and to disease. The world's most powerful nation must not turn its back on so many desperate people and so many innocent children who are now at risk.

The mission Canada proposes to lead, and that I believe America should take part in, would provide security for civilian relief agencies to deliver the aid these people must have and to help the refugees who so desire to return home to Rwanda. America's contribution to such a force would match our special capabilities, such as providing security at the Goma airport and helping to airlift allied forces.

Neither the new security force in Bosnia nor the humanitarian relief effort in Zaire will be free of risk. But I will do everything in my power to minimize the risks by making sure both missions are clear and achievable before I give the green light.

American leadership places a special burden on the men and women of our Armed Forces and their families. We ask a lot from them, and without fail, they deliver for us. Now, as we contemplate calling on them again I ask us, first of all, to remember the astonishing job that they have done, remarkably free of violence, in Bosnia. And I ask that every American keep them in their thoughts and prayers.

#### *Second Bosnia Mission*

*Q.* Mr. President, what do you say to critics who say that you waited till after the election to make the announcement that you're sending troops abroad or keeping troops in Bosnia?

*The President.* Well, I would say two things. First of all, it was well before the election that the NATO allies in Europe most closely concerned with this came to us and said, we do not believe that the civilian and political and economic functions have developed to the point where there can be no security presence in Bosnia, even though IFOR has done everything it was asked to do. And I said that I would con-

sider American participation if there were a clear mission with an achievable goal. And that was clear before the election.

But more importantly, I would say that the NATO ministers met and made their recommendation to me just last week. We needed some time to study it. I had a meeting last evening, quite an extensive one, with General Shalikashvili making the military case and with Secretary Christopher and Secretary Perry. And the whole national security team met with the Vice President and me. We have done this in a timely fashion following the NATO timetable.

The most important thing the American people need to know is that mission succeeded; it did do what it was supposed to do in 12 months. But we, frankly—when I say “we,” I mean all the people involved in NATO—believed that we could make more economic and political progress than we were able to make. So, we believe there should be a new but much more limited mission simply to maintain the security that has been established and to maintain the conditions in which the political and economic progress can be made.

*Q.* Don't you think you should have laid this idea out, though, while you were campaigning so that people had a sense that part of what they got when they got your reelection was the extension of this mission?

*The President.* Well, I believe that they did believe that. Keep in mind, before the election it was said that the Europeans thought we ought to stay in a more limited way, and I said I would consider doing that. Frankly, I want to pay a compliment to Senator Dole—I think because he said, in a very statesmanlike way, that he would support doing that, that we had too big an investment in the success of the process, there was not a difference of opinion on it. So, that it did not—I think that it did not become more hotly debated in the campaign, and therefore it maybe wasn't focused on by as many people. But the issue was out there.

I couldn't agree and describe a mission that had not yet been developed by the NATO military planners or recommended to us. So, I would say that it maybe didn't get the attention that it otherwise would have gotten, and it may be because Senator Dole made what I thought was a very statesmanlike statement early on that, of course, if it had to be done, that he would agree.

*Zaire Mission*

Q. Mr. President, there are some reports of refugees in quite large numbers moving within Zaire back toward the Rwandan border and across, relief agencies in Rwanda saying that they have plenty of food and equipment and so forth once they're back across the border. Is there a chance, sir, that this mission may not be needed?

*The President.* Well, let me say we have some very good preliminary news about the prospects that the refugees will be able to go back to Rwanda, and then it may work out better than we had originally thought. But I would say first of all it is preliminary, and secondly—obviously, the dimensions of what has to be done could change based on the realities on the ground; we're watching it every day. I think we have to be prepared for the prospect that we will still have to have some presence there to facilitate this and to make sure that as quickly as possible we get everything that is needed to them.

I don't think we know enough yet, Brit [Brit Hume, ABC News], to say that the mission won't be needed. It's a hopeful sign, but that's all I can say right now.

*Second Bosnia Mission*

Q. Mr. President, on Bosnia, do you technically consider this to be a different mission, and will there be a wholesale change of forces over there?

*The President.* Yes, we are withdrawing the IFOR forces, and this is a different mission.

Q. American forces—I'm sorry.

*The President.* That's correct. This will be a different mission. And there will be some overlap there because, if you remember, the planning I think called for a phased drawdown that would run into early next year anyway. But we believe the size of this will be about 8,500—what will be required—and it will be different.

*Second Term Transition*

Q. Mr. President, you have your international policy team here standing with you, and we were led to believe, at least a little while ago, that you would be naming people rather quickly to that. That process seems to have slowed down. Can you tell us why?

*The President.* Yes. One of the things that all of the people who are here with me have said, including Secretary Perry and Secretary

Christopher, and that a lot of people I have talked to about this, including people who might be a part of it and others—they have reminded me that the thing that has really made our work as successful as it has been in so many ways is that we've had a remarkable amount of teamwork, remarkably free of rancor and remarkably free of the kind of undercutting that has too often happened in our national politics.

Several people have said if you have to take a little more time to feel good about the composition of the team you put together, by all means do it, because it is the team that will rise or fall and that will advance America's cause. And so I have been thinking, obviously with a lot of gratitude, of the level of teamwork we've had, the level of cooperation, how we've worked together. And what I concluded after talking about this extensively with the Vice President in particular is that we needed to make absolutely sure that we knew what the team was going to be.

Now let me also tell you that all of us on the transition team, the Vice President and Mr. Panetta and Mr. Bowles and all the rest of us, are working very hard. I have never worked any harder than I have in the days since the last election to make sure that we make the most of this transition. I need a little bit of vacation, and I hope those of you who are going with me will get a little one, too. But we will make timely appointments; they will be ready well in advance of the Congress beginning. And they will have adequate opportunity for the Senate to review them, and I think we will be in very good shape.

But the specific answer to your question is that I want to make sure that the team works.

Yes, go ahead.

*Zaire Mission*

Q. We're told that one of the conditions for sending U.S. troops into Zaire as part of this humanitarian mission is that the U.S. gets some kind of assurances from these rival militias that they will cease their hostilities so American GI's don't have to shoot their way in. Is that really a realistic expectation, or do you suspect that there will be so much firepower that that will be sufficient to stop the hostilities?

*The President.* Well, I might ought to let Secretary Perry answer this question, but I'll take a crack at it.

We will have, as we always do, very tough rules of engagement if somebody takes action against us. It is having that kind of rules, that kind of strength—that's one of the reasons that we had the almost incredible experience we've had in Bosnia so far in terms of there not being conflict.

But on the other hand, when we send a mission in of peace like that, we don't believe that we should have to assume on the front end that we'll have to shoot our way in. So what we want to know is at least that there is a receptivity to our coming in there, all of us in the multinational force. We obviously understand if you've got a lot of people around there with guns, somebody might shoot at you, and you have to be able to shoot back. But that's different from having an official policy that if this international mission goes in, they're going to be considered an invading force and be subject to attack from the minute that the airplane lands. That's the difference, I think.

Do you think that's—is that a fair statement? Would you like to add to that?

*Secretary of Defense William J. Perry.* That is exactly right. We require cooperation from the governments, because we do not want to make forced landings at the airport. On the other hand, the guerrilla forces that are located in that area, whatever they tell us, we want acquiescence. We do not expect to have any formal agreement from them or would not have any confidence they can carry out any formal agreement.

It is important, however, that both the Government of Rwanda and the Government of Zaire give us not only acquiescence but cooperation. We need that. They also have a lot of influence on those guerrilla forces. That's important.

*The President.* Thank you very much.

NOTE: The President spoke at 11:20 a.m. in the Briefing Room at the White House.

## Letter to Congressional Leaders on Encryption Products Export Controls November 15, 1996

*Dear Mr. Speaker: (Dear Mr. President:)*

In order to take additional steps with respect to the national emergency described and declared in Executive Order 12924 of August 19, 1994, and continued on August 15, 1995, and August 14, 1996, necessitated by the expiration of the Export Administration Act (EAA) on August 20, 1994, I hereby report to the Congress that pursuant to section 204(b) of the International Emergency Economic Powers Act, 50 U.S.C. 1703(b) (the "Act"), I have today exercised the authority granted by the Act to issue an Executive order (a copy of which is attached) to revise the provisions that apply to the administration of the export control system maintained by Department of Commerce in the Export Administration Regulations, 15 CFR Part 730 *et seq.*

The new Executive order relates to my decision to transfer certain encryption products from the United States Munitions List administered by the Department of State to the Commerce Control List administered by the Department of Commerce. When I made that decision I also decided to amend Executive Order 12981

of December 5, 1995, which sets forth procedures for the interagency review and disposition of dual-use export license applications, to include the Department of Justice among the agencies that have the opportunity to review such applications with respect to encryption products transferred to Department of Commerce control.

Also, in issuing the new order, I provided for appropriate controls on the export and foreign dissemination of encryption products transferred to the Department of Commerce. Among other provisions, I determined that the export of encryption products transferred to Department of Commerce control could harm national security and foreign policy interests of the United States even where comparable products are or appear to be available from foreign sources. Accordingly, the new order makes clear that any EAA provision dealing with issuance of licenses or removal of controls based on foreign availability considerations shall not apply with respect to export controls on such encryption products.